

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|   |   |                 |
|---|---|-----------------|
| AN INVESTIGATION OF ALLTEL KENTUCKY, INC. | ) |                 |
|   | ) |                 |
| _____                                     | ) | CASE NO. 92-312 |
|   | ) |                 |
| ALLEGED VIOLATION OF 807 KAR 5:006,       | ) |                 |
| SECTION 25(3), AND 807 KAR 5:006,         | ) |                 |
| SECTION 25(7)(a)                          | ) |                 |

O R D E R

On September 18, 1992, ALLTEL Kentucky, Inc. ("ALLTEL") signed a proposed Settlement Agreement, a copy of which is attached hereto and incorporated herein as Appendix A. The settlement expresses Staff and ALLTEL's agreement on a mutually satisfactory resolution of all issues in this case.

In determining whether the results of the Settlement Agreement are in the public interest and are reasonable, the Commission has taken into consideration the steps taken by ALLTEL to remediate and cure its outstanding violations. After consideration of the proposed Settlement Agreement and being otherwise sufficiently advised, the Commission finds that the proposed Settlement Agreement is in accordance with the law and does not violate any regulatory principle. This Settlement Agreement is in the public interest and results in a reasonable resolution of this case.

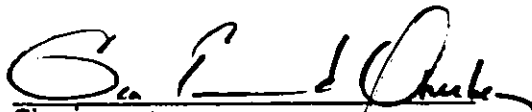
IT IS THEREFORE ORDERED that:

1. The Settlement Agreement is hereby adopted and approved in its entirety as a reasonable resolution to the issues in this case. ALLTEL shall adhere to and comply with all provisions of the Settlement Agreement the same as if individually ordered herein.

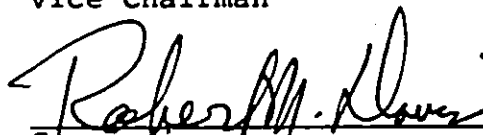
2. ALLTEL shall pay the agreed penalty of \$1,000 within 10 days of the date of this Order by certified check or money order made payable to Treasurer, Commonwealth of Kentucky. Said check or money order shall be mailed or delivered to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, Frankfort, Kentucky 40601.

Done at Frankfort, Kentucky, this 2nd day of October, 1992.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 92-312 DATED October 2, 1992.

COMMONWEALTH OF KENTUCKY

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| SECTION 25(3), AND 807 KAR 5:006,         | ) |                 |
| SECTION 25(7)(a)                          | ) |                 |

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered into this 18<sup>th</sup> day of September, 1992 by and between the staff of the Public Service Commission of the Commonwealth of Kentucky ("Commission") and ALLTEL Kentucky, Inc. ("ALLTEL").

W I T N E S S E T H :

THAT, WHEREAS, the Commission Staff issued an incident report dated June 29, 1992 (the "Incident Report") describing an incident on May 14, 1992 in which Mrs. Margie Snow was injured when a broken telephone pole and several lines owned by ALLTEL fell on her van as she was driving on Highway 480 in Shepherdsville; and

WHEREAS, the Commission Staff made the following findings which were set forth at page 2 of the Incident Report:

1. Inspection of the pole indicated severe weathering, cracking, and internal decay at ground level. A review of ALLTEL's aerial facilities inspection records provided no indication that the facility involved in the accident had been inspected as required by 807 KAR 5:006, Section 25(7)(a).
2. ALLTEL failed to keep inspection records which is a violation of 807 KAR 5:006, Section 25(3); and

WHEREAS, on August 13, 1992, the Public Service Commission ordered ALLTEL to show cause why it should not be subject to the penalties of KRS 278.990 for its alleged violations of Commission Regulation 807 KAR 5:006, Sections 25(3) and 25(7)(a); and

WHEREAS, ALLTEL and the Commission Staff have agreed to the following factual matters:

1. An accident occurred on May 14, 1992 involving a broken telephone drop pole and two service lines. Apparently, a truck drove under and was caught on the service line, causing it to strain the drop pole and break its base. A van driven by Mrs. Margie Snow subsequently struck the downed pole. Actual damages caused by the accident are in the approximate amount of \$2,000.00.

2. ALLTEL records do not reflect an inspection of the pole during the previous two years.

3. A new system of recordkeeping was instituted in January 1992 to comply with the requirements of 807 KAR 5:006, Section 25(3).

4. Also in January 1992, ALLTEL added an engineer to its staff to implement an aggressive inspection program. ALLTEL has since inspected 85 percent of the Zonetown exchange and half of its Shepherdsville and Mt. Washington exchanges.

5. ALLTEL is diligently attempting to bring its inspection program into compliance with Commission rules and regulations.

WHEREAS, ALLTEL and the Commission Staff desire to settle the issues raised by this proceeding.

NOW, THEREFORE, ALLTEL and the Commission Staff agree as follows:

1. ALLTEL shall take the following actions:

a. Continue adhering to the new system of recordkeeping it instituted in January 1992 to ensure compliance with 807 KAR 5:006, Section 25(3); and

b. Inspect its entire aerial plant for electrical hazards, proper clearance for electric facilities and climbing safety at least every two years in accordance with 807 KAR 5:006, Section 25(7)(a).

2. ALLTEL shall, within ten (10) days after the entry of an order approving this Settlement Agreement, pay to the Public Service Commission the sum of One Thousand Dollars (\$1,000.00).

3. This Settlement Agreement is subject to the approval of the Public Service Commission.

4. This Settlement Agreement constitutes full satisfaction of any penalties against ALLTEL arising out of this proceeding. Commission Staff will forthwith recommend to the Public Service Commission that this Settlement Agreement be approved and that this proceeding be closed and removed from the Public Service Commission's docket.

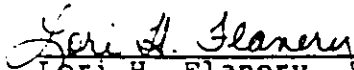
5. If the Public Service Commission fails to accept and approve the Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of this Settlement Agreement nor any matters raised during the settlement negotiations shall be binding on any signatory.

6. If the Public Service Commission accepts and adopts this Settlement Agreement in its entirety and enters an Order in this proceeding to that effect, ALLTEL shall not apply for rehearing in

this proceeding nor bring an action for review of that Order in Franklin Circuit Court.

IN WITNESS WHEREOF, ALLTEL and the Commission Staff have executed this Settlement Agreement the day and year first above written by and through their duly authorized attorneys.

  
\_\_\_\_\_  
Herbert D. Lieberman  
Counsel for ALLTEL Kentucky, Inc.

  
\_\_\_\_\_  
Lori H. Flanery  
Counsel for Public Service  
Commission of Kentucky

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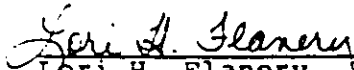
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